



# 2023 Annual General Meeting Package

## Agenda

1. Call to Order
2. Presentation of Distinguished Service Awards
3. Introduction of Trustees
4. Minutes of the 2022 Annual General Meeting
5. Trustees' Report
6. Awards & International Grants Committee Report
7. Marketing & Communications Committee Report
8. Treasurer's Report
9. 2022 Financial Statements
10. Appointment of Auditor
11. Governance & Nominating Committee Report
12. Q & A
13. Adjournment

# 2023 Trustee Nominations



**Amie O'Brien**

VP Finance,  
Integris Credit Union



**Anita Jensen**

Manager, Community Engagement,  
Gulf & Fraser Credit Union



**Brenda Monk**

Member Relations Engagement  
Manager,  
Central 1 Credit Union



**Aron Burke**

Community Liaison,  
Kootenay Savings Credit Union



**Nancy Crockett**

Chief Member Experience Officer,  
Sunshine Coast Credit Union

## AGM 2023

Date:

**Thursday, May 11, 2023**

Time:

**2:00 pm – 3:00 pm**

Place:

**Virtually via Microsoft Teams Meeting**

# 2022 AGM Minutes

## Credit Union Foundation of British Columbia

### Minutes of the Sixty Fourth Annual General Meeting held virtually on Tuesday, May 17, 2022

Vice-President Jessie Sidhu called the meeting to order at 11:04 am and advised that the meeting was being recorded for the Foundation records.

**Quorum:** A quorum was declared present. The final registration showed attendance of 25 delegates, 1 Life Member, and 1 guest. All of the individuals in attendance joined the meeting online except for one attendee joining the meeting via phone.

Vice-President Jessie Sidhu provided opening remarks on behalf of President David Lanphear. The package was provided to AGM registrants in advance of the meeting and is also available for download on the Foundation's website. To accommodate delegate voting for motions, instructions were provided to attendees on how to place their vote during the AGM. It was also clarified that only those who joined the AGM online were provided with the ability to vote. A test motion was provided for attendees.

The Vice-President introduced and thanked the Foundation Board of Trustees and the Trustees Emeritus/Emerita.

**Minutes:** The Vice-President requested a motion for adoption of the Minutes of the 2021 Annual General Meeting.

**Moved and Seconded:** That the minutes of the 2021 Annual Meeting of the Credit Union Foundation of BC be adopted.

**Carried**

## Board of Trustees Report

Vice-President Jessie Sidhu shared several highlights from the Trustees Report for 2021, as circulated in the AGM package.

The Credit Union Foundation of BC was established in 1958 in the co-operative spirit by BC credit unions to maximize and leverage philanthropic granting in support of post-secondary education. The Vice-President thanked the credit unions who contributed to the Foundation through annual dues in 2021, as well as those credit unions who further supported the Foundation through additional donations. Federal credit unions were also acknowledged for their generous support.

The Vice-President then summarized some of the work done over the past year. CUFBC trustees supported and expanded bursary funding, reviewed key governance procedures, engaged in strategic planning and led a brand refresh for the Foundation. This was all with an eye to the future as the board works to ensure that the CUFBC is relevant and adaptable to changing times.

The Vice-President emphasized that 2021 continued to pose unprecedented and lasting challenges for students and schools. To help support students through these challenges, the Foundation was proud to provide \$208,267 to students via 178 individual grants and through its post-secondary grant program.

It was with sadness that the Foundation board heard in December of the passing of a former CUFBC Trustee, Catherine Ludgate. A champion for social justice, Catherine was a true force for change; her contributions to the board were invaluable and she will be dearly missed. To honour her memory, the Vice-President noted that the CUFBC has made a \$500 contribution to the BC Poverty Reduction Coalition.

As of the AGM, the Foundation will experience some turnover with the resignations of trustees Gus Hartl, Jeff Shewfelt, Gene Creelman and Deborah Edwards. Vice-President Jessie Sidhu thanked these individuals for their invaluable contributions.

Thanks were also expressed for the continued support received from BC credit unions and their members, which enables the Foundation to carry on its mission and be true to its co-operative values.

## **Awards & International Grants Committee Report**

Awards Committee member Deborah Edwards shared highlights from the in-depth report included in the AGM package.

Deborah acknowledged that the previous year continued to be an exceptionally challenging one for students, with disruption of classes, a shift to online learning, and decreased opportunities for employment, practicums and community involvement. Through these challenging times the Foundation was able to provide \$223,267 in education funding through its various programs.

In 2021, through the Foundation's Post-Secondary Annual Grant Program, \$31,000 was awarded to universities and colleges across the province to be administered by the schools. Grants are given to individuals based on criteria set by the school or criteria established by named funds.

Through the Individual Grants program, the Foundation disbursed 178 bursaries totalling \$177,267.

Deborah noted that the Awards Committee also has annual oversight for an International Awards Program funded by the A. Rod Glen International Trust Fund. Due to the exceptional challenges posed by the Covid-19 pandemic, the international program was put on hold in 2021, but Deborah reported that the Foundation has made a \$15,000 contribution towards the 2022 Canada DE program. This is an exciting a co-operative leadership education program which sees participants from across the globe.

Thanks were given to Anita Cheng, Kirsten McElgunn, Nolan Hill and Jessie Sidhu for their contributions to the Awards Committee.

## **Marketing and Communications Report**

Marketing and Communications committee chair Tyler Patak delivered a report on behalf of the committee.

Early in 2021, the committee established its first marketing and communications framework, outlining all major milestones and deliverables for the year. Next, the committee did an exhaustive review of the contacts list to ensure the Foundation continues to reach the right staff across the BC credit union network.

To remain current and relatable to its target audiences, the committee also embarked on a major, multi-year initiative to modernize the CUFBC's brand identity. This is the first evolution of the brand since its creation. Tyler reported that the Foundation partnered with The Agency at Central 1 (The Agency) to support the ideation, creative development and execution of this new brand. After strategic consideration, the Foundation is excited to have chosen a new brand direction, as seen in the AGM package and CUFBC materials.

Tyler then summarized that the focus for 2022 will turn to the Foundation's digital presence to increase overall brand awareness and to remain top of mind for credit union staff and members throughout the year.

## Treasurer's Report

Treasurer Jana Lukasek reported that the Foundation had another successful year, a true testament to cooperation among cooperatives. Jana shared some highlights from the Treasurer's Report and the 2021 financial statements, included in the 2022 AGM package.

KPMG's audit was conducted in February 2022 and gave the Foundation a clean opinion. As usual they were thorough in their audit. Thanks was given to the staff of KPMG and partner Carol Chiang.

Beginning with the balance sheet the cash and term deposit balances were approximately the same as the prior year. Investments at Connor, Clark & Lunn (CC&L) grew by \$457,000 to \$5.731 million. Overall assets grew by \$379,000, which is added to the total funds balance. Those funds now total just over \$5.867 million. These Foundation funds exist in perpetuity, a legacy that credit unions should be proud of for building. This year's asset growth has been reinvested in the Foundation.

Highlights from the Statement of Operations were then shared. The \$0.10 per member contributions from credit unions totalled \$144,842. Coast Capital was thanked for donating \$20,000, included in the unrestricted fund contributions. Among other generous donations shown in schedule 2, a commendation was given to G&F Financial who this year added to their fund by \$30,000.

The Foundation had much higher investment income over the prior year, mainly due to the full transition to CC&L. The Foundation also had another good year for unrealized gains on its investment portfolio, totaling close to \$284,000 for the year.

Jana then provided a summary on expenses from the statement of operations, and extended thanks to Audit and Finance committee members: Dave Lanphear, Gus Hartl, Jeff Shewfelt, Gene Creelman and Balbir Bains.

**Moved and Seconded:** To adopt the Auditors' Report of the Financial Statements for the year ending 2021 as presented.

**Carried**

The Audit Committee reviewed the performance of the auditor and is recommending to the membership KPMG CPA as the Foundation's auditors for the 2022 fiscal year.

**Moved and Seconded:** To appoint KPMG as auditor for the Credit Union Foundation of BC for 2022 and that the Trustees be authorized to set remuneration.

**Carried**

## Governance & Nominating Committee Report

Committee chair Anita Cheng presented the 2021 Nominating Committee Report.

There were seven positions available in the 2022 election. Balbir Bains is completing a 1-year term. Anita congratulated Deborah Edwards on her upcoming retirement at the end of June, and also congratulated both Gus Hartl and Gene Creelman who have recently retired. Both are completing 1-year terms and have advised that they will not be seeking reelection. Additionally, Jeff Shewfelt is completing a 3-year term and has indicated that he will not be seeking reelection.

The call for nominations was made to the credit union system in February with a deadline of March 31, 2022. As of the deadline, the Foundation received nomination papers from four individuals:

- Balbir Bains, Greater Vancouver Community Credit Union
- Bill Corbett, Stabilization Central Credit Union
- Kirsten I'Anson, Community Savings Credit Union
- Mindy Kailly, Coastal Community Credit Union

With four candidates running for seven positions, the above nominees were declared Trustees by acclamation.

On behalf of the credit union system and the Foundation, Anita thanked Gus Hartl, Gene Creelman, Deborah Edwards and Jeff Shewfelt for their longstanding contributions to the Board of Trustees. Special thanks were also offered to former Trustee Theresa Dergousoff for her assistance and advice over the past year.

In addition to the new Trustees, the Board of Trustees includes those whose terms mature in 2023, being Tyler Patak (Central 1), Jessie Sidhu (Khalsa Credit Union), and Nolan Hill (Williams Lake and District Credit Union). Those maturing in 2024 include Dave Lanphear (Envision Financial), Anita Cheng (Vancity), Jana Lukasek (Bulkley Valley Credit Union) and Kirsten McElgunn (Prospera Credit Union).

The Vice-President then welcomed the new Trustees and welcomed back the incumbents.

## Good & Welfare

Trustee Gus Hartl noted that he was proud of what the board has been able to accomplish over the past few years, and welcomed the new Trustees. No other Good and Welfare items were brought forward by the membership.

**Adjournment:** The Chair thanked everyone for their attendance at the 2022 Annual General Meeting and the meeting was adjourned at 11:39 am.



Nolan Hill, Secretary



David Lanphear, President



# 2022 Annual Report

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# Trustees' Report for 2022

The Credit Union Foundation of BC (CUFBC) is a Canadian public foundation and registered charity, established in 1958 in the co-operative spirit by BC credit unions to maximize and leverage philanthropic granting in support of post-secondary education.



**Thank you for your generosity, which has allowed me to focus on my academic and professional goals as a 2022/2023 Paramedic candidate at the Justice Institute of BC. As I complete my training I am honoured to be on a path that will allow me to help others at their greatest time of need.**

**2022 bursary recipient**

Since inception the CUFBC has collaborated with the credit union system, post-secondary institutions and other stakeholders to help understand and address critical gaps in how students overcome barriers to reaching a higher education. The CUFBC is an important provincial source of funding for post-secondary education and training, supporting skills development and in turn local economic activity. It has also helped strengthen the engagement and participation of young people in the credit union system.

The foundation awards program is primarily funded by earnings on its Memorial and Trust funds. Our sincere thanks go out to the credit unions who have supported the foundation through donations to their named funds, annual dues payments and other donations. We also thank federal credit unions for their generous support.

Over the past year, CUFBC trustees reviewed and refined bursary processes, engaged in strategic planning and supported the launch of a new CUFBC brand. We welcomed five new Trustees and honoured two past directors, Jeff Shewfelt and Gus Hartl, with Trustee Emeritus status. We were also honoured to have been chosen as the recipient of a \$5000 donation by Do Some Good when they received a Canada Volunteer Award recognizing their social impact.

The economic climate in 2022 presented significant challenges for students and schools. Many students found themselves facing much higher debt levels than anticipated, and some have had to consider pausing their education. To help support students through these challenges, the foundation was proud to provide over \$216,000 via individual bursaries and through our post-secondary grant program. We were also thrilled to continue our support of the Canada Credit Union Development Education Program, which allows for international participation and, in turn, supports credit union projects in countries such as Kenya, Malawi, Trinidad and Tobago, St. Lucia, Dominica and Jamaica.



**Thank you so much for notifying me on being a successful recipient! As I am nearing the end of my nursing program and about to start my preceptorship which entails working full-time unpaid hours, this bursary is truly lifesaving.**

**Alaysha, 2022 bursary recipient**

The CUFBC board will see some change in 2023. Nolan Hill and Tyler Patak will be stepping down at the close of their terms as of this AGM. Earlier in 2022, Jessie Sidhu and David Lanphear resigned from their roles with the CUFBC after leaving the credit union system. We want to thank each of these individuals for their invaluable contributions and wish them well into the future.

In closing, we'd like to again acknowledge and thank the credit unions and individuals who support the work of the foundation. Together we are helping students to succeed and in turn building stronger and more vibrant communities.

Respectfully submitted

May 11, 2023

### Credit Union Foundation of British Columbia Board of Trustees

<b>Bill Corbett</b> President	<b>Anita Cheng</b> Vice-President	<b>Tyler Patak</b> Trustee	<b>Phil Moore</b> Trustee Emeritus
	<b>Nolan Hill</b> Secretary	<b>Balbir Bains</b> Trustee	<b>Gene Blishen</b> Trustee Emeritus
	<b>Jana Lukasek</b> Treasurer	<b>Kirsten McElgunn</b> Trustee	<b>Gus Hartl</b> Trustee Emeritus
		<b>Mindy Kailly</b> Trustee	<b>W.J. (Bill) Wright</b> Trustee Emeritus
		<b>Amie O'Brien</b> Trustee	<b>Meredith Pue</b> Trustee Emeritus
		<b>Kirsten l'Anson</b> Trustee	<b>Jeff Shewfelt</b> Trustee Emeritus



**CNC is grateful for your contribution. In discussions with community and indigenous leaders across northern BC I am reminded of the demand for qualified, trained, educated and skilled professionals across all sectors. The commitment of donors like you is essential to student success and on behalf of CNC, I thank you.**

**Dr. Dennis Johnson, President and CEO, College of New Caledonia**

# Awards & International Grants Committee Report for 2022

The Credit Union Foundation is proud to provide education awards to BC post-secondary students who demonstrate financial need, reflect credit union values and show commitment to their communities. The Awards Committee is responsible for reviewing applications received and subsequently disbursing bursaries to students.

Through the applications we received in 2022, it was evident just how much the rising cost of living is impacting students and their ability to complete their education. To help lessen this burden, the Credit Union Foundation was able to provide \$216,116 to students via individual grants and through our post-secondary annual grant program.



**This funding will help me more than you can imagine. Thank you and thanks to credit unions for supporting me through my education.**

**Sogol, 2022 bursary recipient**

## Post-Secondary Annual Grant Program

In 2022, \$31,000 was awarded to universities and colleges across the province to be administered by the schools. Grants are given to individuals based on criteria set by the school or criteria established by named funds.

## Individual Grants

The Credit Union Foundation reviews and approves bursaries for students three times each year, in order to accommodate the various school terms at different post-secondary institutions.

Awards granted are based on demonstrated financial need, additional barriers that students face, shared credit union values and community involvement. In 2022 the foundation received 261 applications and disbursed 160 bursaries totalling \$185,116.

## International Awards Program

The Awards Committee also has annual oversight of international funding, supported by the A. Rod Glen International Trust Fund. In the spirit of promoting lifelong learning and strengthening co-operative identity, the CUFBC was proud to support the Canada Credit Union Development Education Program (Canada DE) in 2022.

The CUFBC has contributed over \$50,000 to the program since it began in 2017 and these contributions provide bursaries that allow international participants to attend alongside participants from Canada. CUFBC funding made it possible for 10 participants from Kenya, Malawi, Trinidad and Tobago, St. Lucia, Dominica and Jamaica to be involved in the 2022 session. Each committed to a project that will benefit their credit union and community, using the United Nation's Sustainable Development Goals (UNSDGs) and the Co-operative Enterprise Model as tools.

Awards and International Grants committee: Bill Corbett (Chair), Anita Cheng, Kirsten McElgunn, Mindy Kailly, Amie O'Brien, Kirsten l'Anson.

Respectfully submitted,

**Bill Corbett**, Chair

Awards & International Grants Committee

# Marketing & Communications Committee Report

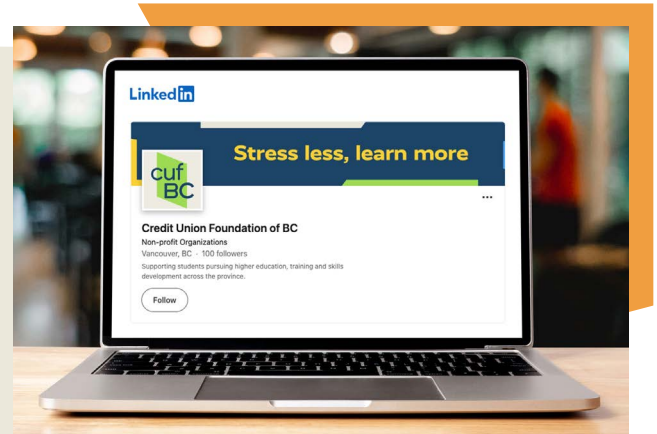
It was another successful and busy year for the Credit Union Foundation of BC's Marketing & Communications Committee. Along with our business as usual activities, we launched a new brand, continued the refresh of our creative assets, introduced a LinkedIn page and strategized opportunities to engage with our credit union colleagues.

## CUFBC Brand Refresh

We were excited to share the CUFBC's full new brand with the BC credit union system during the spring bursary period and at our 2022 Annual General Meeting. This new brand identity was the first evolution of the brand since its creation, and was very positively received. We have already seen increased credit union interest in and engagement with the CUFBC, and we're committed to finding new ways to echo and amplify our message throughout the system.

## LinkedIn

Introduced in 2022, our new LinkedIn page is increasing the CUFBC's overall brand awareness, providing a way for us to engage with credit unions, their members and post-secondary institutions. Followers can read and share information about upcoming application periods/ deadline reminders, our AGM, student success stories, post-secondary information and more.



## Creative Assets

Over the past year, the CUFBC continued to refresh and add to its creative assets, ensuring consistency across web, print, email and social channels. The committee also started work towards template and asset creation for use by credit unions.

Our focus for 2023 will be to increase engagement with our LinkedIn page and to extend our brand to provide more resources for credit unions. We look forward to discovering what marketing and communication deliverables our committee can create to further support the promotion of the CUFBC!

Marketing & Communications committee: Tyler Patak (Chair), Kirsten McElgunn, Amie O'Brien, Balbir Bains, Kirsten l'Anson

Respectfully submitted,

**Tyler Patak**, Chair  
Marketing & Communications Committee

# 2022: A Year in Review

**est. 1958**

The Credit Union Foundation of BC (CUFBC) is a Canadian public foundation established in 1958 in the co-operative spirit of BC credit unions

In the spirit of promoting lifelong learning and strengthening co-operative identity, the CUFBC has been proud to support the **Canada Credit Union Development Education Program** since it began in 2017.

The foundation granted bursaries to

**160 students**



Bursaries awarded:

**\$185,116**



**Supported 25 post-secondary institutions**

across the province



**Many of our bursary recipients plan to give back**

to their communities through careers in health sciences, social work, education, and mental health support.

# Governance & Nominations Committee Report

As part of the governance of the Credit Union Foundation of BC, an annual election is held to fill vacant and maturing positions on the Board of Trustees. There are eight positions available in the 2023 election. This year, Amie O'Brien is completing a 1-year term and Nolan Hill and Tyler Patak are completing 3-year terms. Nolan Hill and Tyler Patak will not be seeking reelection.

The call for nominations was made to the credit union system in February with a deadline of March 31, 2023. As of the deadline, the foundation received nomination papers from five individuals:

- Amie O'Brien, Integris Credit Union
- Anita Jensen, Gulf & Fraser Credit Union
- Aron Burke, Kootenay Savings Credit Union
- Nancy Crockett, Sunshine Coast Credit Union
- Brenda Monk, Central 1 Credit Union

With 5 candidates running for eight positions, we declare the above nominees elected as Trustees by acclamation.

On behalf of the credit union system, the foundation would like to thank Nolan Hill and Tyler Patak for their contributions to the Board of Trustees, as well as extend our thanks to David Lanphear and Jessie Sidhu who left the credit union system and thus resigned from their Trustee roles in 2022. We also want to offer a special thank you to former Trustee Theresa Dergousoff for her assistance and advice over the past year.

In addition to the new Trustees above, the Board of Trustees includes those whose terms mature in 2024, being Anita Cheng (Vancity Credit Union), Jana Lukasek (Bulkley Valley Credit Union) and Kirsten McElgunn (Prospera Credit Union). Those maturing in 2025 include Bill Corbett (Stabilization Central Credit Union), Mindy Kailly (Coastal Community Credit Union), Kirsten l'Anson (Community Savings Credit Union) and Balbir Bains (Greater Vancouver Community Credit Union).



**Your gift creates ripples of positive change throughout our communities. This is your legacy to students. Thank you!**

**North Island College**



**I want to thank the Credit Union Foundation of BC for this generous bursary. This will go far to help alleviate the large financial burden of being a single mom and a full-time nursing student. I am very grateful organizations like this can financially support students to reach their academic goals. Thank you!**

**Kelsey, 2022 bursary recipient**

The Credit Union Foundation makes a significant impact in our communities and is a great demonstration of the difference that credit unions can make when they collaborate. We invite credit union and affiliate staff to inquire about joining the Board of Trustees and contributing to the life changing difference that the CUFBC can make in people's lives.



## Distinguished Service Awards

The BC Distinguished Service Awards are awarded to individuals in recognition of outstanding service in the BC credit union system. The award is not limited to credit union directors and employees but includes all persons who have made excellent contributions to the BC credit union system and the co-operative movement.

The Credit Union Foundation of BC, in conjunction with Central 1, has oversight of the Distinguished Service Awards program, and the call for nominations was made to the credit union system with a deadline of February 28, 2023. A special sub-committee met to review the nominations received and it was determined that the following individuals would receive a Distinguished Service Award:

**Anita Braha**, Vancity Credit Union board director,  
Stabilization Central Credit Union board director

**Gene Creelman**, SVP Member & Community Engagement,  
Interior Savings Credit Union (now retired)

**Gus Hartl**, President,  
Gulf & Fraser Credit Union (now retired)

Congratulations to these individuals for their notable and lasting contributions to the credit union system!

Governance & Nominating committee: Anita Cheng (Chair), Tyler Patak, Nolan Hill, Jana Lukasek

Distinguished Service Awards committee: Shelley McDade (external, Central 1 board director), Jana Lukasek, Nolan Hill

Respectfully submitted,

**Anita Cheng**, Chair  
Governance & Nominating Committee



**I am writing this letter to express my sincere gratitude for the scholarship that you have awarded me. Receiving this scholarship has not only alleviated my financial burden, but it has also boosted my morale and motivation to achieve my academic goals. Your generosity and kindness are highly appreciated, and I promise to use this opportunity to the fullest to achieve excellence in my studies. Thank you from the bottom of my heart.**

**2022 bursary recipient**



# Treasurer's Report for 2022

Total assets amounted to \$5,512,076, down 6.07% from 2021. Prior to 2016, the foundation's assets were invested in 36 British Columbia credit unions and in Central 1. In 2016 we amended our investment policy and have now transitioned the investments to a managed fund with Connor Clark and Lunn ("CC&L"), with the hopes of realizing a better return in the long run.

Revenues totaled a loss of \$4,852 (2021 - \$712,275) consisting of interest and investment earnings of \$330,836 (2021 - \$283,764), donations from credit unions and individuals of \$22,200 (2021 - \$53,300), membership dues of \$3,800 (2021 - \$4,100) and credit union members' dues of \$146,776 (2021 - \$144,482). We had an unrealized loss on investments of \$508,464 at the end of 2022 (2021 - gain of \$226,269) due to market valuations of the assets held.

Total expenses were \$117,566, down \$8,325 from \$125,891 in 2021. This is mainly due to fees paid to CC&L for managing our investments, which were \$45,184 (2021 - \$51,879), reflecting the decrease in market value for the funds under management. Marketing fees also decreased in the year due to the brand refresh completed in 2021.

Our awards are channeled into helping British Columbians further their education. For 2022, these awards totaled \$216,116 (2021 - \$223,767); of this amount, \$31,000 (2021 - \$31,000) was directed towards universities and colleges, and \$185,116 was for bursaries (2021 - \$177,766).

In 2021 we also funded \$15,000 towards the Credit Union Development Education ("DE") program through Saint Mary's University, however the program did not run in 2021 due to the pandemic so those funds were spent in 2022, but not expensed in 2022. Over the last 15 years, over \$2,000,000 has been distributed to deserving recipients who came from all over the province, something we can all truly be proud of.

This year, the foundation transferred \$338,534 from the Credit Union Pioneer's Memorial Trust Fund in order to make up for our 2022 loss (2021 - \$362,617 transferred to the Trust Fund).



**I want to thank you for your belief in VIU and our programming. By choosing to support VIU, you invest in the student experiences that shape our future leaders, the research that addresses our most pressing problems and the skills development required to grow the economy. Your gift plays an essential role in keeping our community strong.**

**Richard Horbachewski,  
Executive Director, Vancouver  
Island University Foundation**



**Over the last four years I have been a stay at home parent. Completing this Web Development program will help me transition back into the workforce. Please know that the funds from your bursary will help our family and are greatly appreciated.**

**2022 bursary recipient**





**From the bottom of my heart, I sincerely thank you for providing me with this award. You are role models that provide students such as me with hope, encouragement, and inspiration for the future. I aspire to be an Award Donor one day and pass on the encouragement that you have provided me.**

**2022 bursary recipient**

Investments held at CC&L are being made using the six UN Principles of Responsible Investing (“UNPRI”). Our board has directed CC&L investment managers to use UNPRI when building our portfolio; the UNPRI fundamentals are that companies that have good governance, good practices and are environmentally and socially conscious, typically perform better. The embracing of responsible investing is reflected in our portfolio.

We can confirm that the foundation is compliant with the disbursement quota as calculated from the Revenue Canada Charities return that we file annually. We will ensure that we continue to follow CRA guidelines now that the disbursement quota has increased from 3% to 5% of our assets held.

As Treasurer, I would like to thank my fellow Audit and Finance committee members, and our Program Manager, Nicole Eich, who have worked hard all year for the foundation. I would also like to thank Theresa Dergousoff who retired from the Foundation Board two years ago but continues to keep our books in pristine condition. Thank you to our auditors, Carol Chiang and the staff at KPMG, who made the audit go smoothly again this year. Also, we would like to thank all credit unions for their support, and especially those credit unions and individuals who made donations to the various memorials. These donations are perpetually reinvested in our members' education and dreams.

Respectfully submitted

**Jana Lukasek**, CPA, CGA  
Treasurer



**Thanks to the Credit Union Foundation of BC for your year-to-year support of the Canada Development Education (Canada DE) program. Our program has been recognized across the global credit union community as a distinctive opportunity that renews appreciation for our business model while tackling the pressing challenges that credit unions are facing today. CanadaDE provides participants with critical knowledge to both strengthen and leverage their unique co-operative identity to further drive their purpose and impact.**

**The CanadaDE team**

# Financial Statements for 2022

Financial Statements of

## **CREDIT UNION FOUNDATION OF BRITISH COLUMBIA**

And Independent Auditor's Report thereon

Year ended December 31, 2022



KPMG LLP  
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Vancouver BC V7Y 1K3  
Canada  
Telephone (604) 691-3000  
Fax (604) 691-3031

## INDEPENDENT AUDITOR'S REPORT

To the Members of the Credit Union Foundation of British Columbia

### Report on the Audit of Financial Statements

#### *Opinion*

We have audited the financial statements of Credit Union Foundation of British Columbia (the Foundation), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of operations and fund balances for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on Other Legal and Regulatory Requirements**

As required by the *Societies Act (British Columbia)*, we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Vancouver, Canada  
April 14, 2023

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
<b>Assets</b>		
Current assets:		
Cash	\$ 88,149	\$ 135,920
Investments, at fair value (note 3)	5,423,927	5,731,852
	<u>\$ 5,512,076</u>	<u>\$ 5,867,772</u>
<b>Liabilities and Fund Balances</b>		
Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 2,465	\$ 19,627
Fund balances:		
Memorial and Trust Funds (Schedule 1)	5,509,611	5,848,145
	<u>\$ 5,512,076</u>	<u>\$ 5,867,772</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:

Jana Lukasek

Jana Lukasek (Apr 14, 2023 14:19 PDT)

Director



Director

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Statement of Operations and Fund Balances

Year ended December 31, 2022, with comparative information for 2021

	Unrestricted General Fund	Restricted Memorial and Trust Funds	2022 Total	2021 Total
<b>Revenue:</b>				
Contributions (Schedule 2, note 5)	\$ 166,776	\$ 2,200	\$ 168,976	\$ 198,142
Corporate member dues	3,800	-	3,800	4,100
Investment income (note 4)	330,836	-	330,836	283,764
Unrealized gain (loss) on investments	(508,464)	-	(508,464)	226,269
	(7,052)	2,200	(4,852)	712,275
<b>Expenses:</b>				
Administration services	37,712	-	37,712	34,492
Marketing (note 5)	10,148	-	10,148	21,138
Investment management fees	45,184	-	45,184	51,879
Audit and legal fees	16,926	-	16,926	13,218
Office and other	7,596	-	7,596	5,164
	117,566	-	117,566	125,891
Excess (deficiency) of revenue over expenses before grants and bursaries	(124,618)	2,200	(122,418)	586,384
Grants and bursaries paid	(216,116)	-	(216,116)	(223,767)
Excess (deficiency) of revenue over expenses, grant and bursaries	(340,734)	2,200	(338,534)	362,617
Fund balances, beginning of year	-	5,848,145	5,848,145	5,485,528
Interfund transfer (note 2(a))	340,734	(340,734)	-	-
Fund balances, end of year	\$ -	\$ 5,509,611	\$ 5,509,611	\$ 5,848,145

See accompanying notes to financial statements.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating:		
Excess (deficiency) of revenue over expenses, grants and bursaries	\$ (338,534)	\$ 362,617
Items not involving cash:		
Unrealized gain on investments	508,464	(226,269)
Net changes in non-cash operating working capital items:		
Accounts payable and accrued liabilities	(17,162)	16,538
	<u>152,768</u>	<u>152,886</u>
Investments:		
Redemption of term deposits	-	86,011
Purchase of investments, net of redemptions	(200,539)	(230,873)
	<u>(200,539)</u>	<u>(144,862)</u>
Increase (decrease) in cash	(47,771)	8,024
Cash, beginning of year	135,920	127,896
Cash, end of year	<u>\$ 88,149</u>	<u>\$ 135,920</u>

See accompanying notes to financial statements.



# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

## Notes to Financial Statements

Year ended December 31, 2022

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### 1. Operations:

Credit Union Foundation of British Columbia (the "Foundation") was incorporated in 1958 and is registered under the Societies Act (British Columbia). The Foundation is a registered charitable organization under the Income Tax Act and, accordingly, is exempt from federal and provincial income taxes provided certain requirements of the Income Tax Act are met.

The Foundation's primary role is to provide supplemental grant-in-aid assistance to students who are residents of British Columbia and to assist mature students in upgrading their education and skills.

### 2. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

#### (a) Fund accounting:

The General Fund accounts for revenue and expenses relating to the Foundation's general operating and administrative activities, the income earned on the Memorial and Trust Funds, and grants and bursaries disbursed in the year. At each year-end, the Foundation transfers any excess of revenue over expenses and grants and bursaries in this fund to the Credit Union Pioneers Memorial internally restricted fund to be used towards earning income to fund grants and bursaries in future years. Any transfers from the Credit Union Pioneers Memorial Fund to fund deficits in the General Fund is subject to Board of Directors approval.

The Memorial and Trust Funds account for funds restricted for the purpose of earning income to be used towards funding grants and bursaries in accordance with the terms of the established funds and as approved by the Board of Directors.

#### (b) Revenue recognition:

The Foundation follows the restricted fund method of accounting for contributions.

Externally restricted contributions which can only be used for purposes designated by the contributor are recognized as revenue of the restricted funds when received.

Restricted contributions received for which no specific restricted fund exists are deferred in the general fund and recognized as revenue when the funds have been spent in accordance with restrictions.

Unrestricted contributions are recognized as revenue in the general fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue in the general fund on an accrual basis.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2022

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## 2. Significant accounting policies (continued):

### (c) Financial instruments:

The Foundation's financial instruments are comprised of cash, investments, and accounts payable and accrued liabilities.

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. Management has elected to carry investments at fair value. All other financial instruments are subsequently measured at cost or amortized cost.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Financial assets carried at cost or amortized cost are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral.

### (d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2022

### 3. Investments, at fair value:

	2022		2021	
	Market value	Cost	Market value	Cost
Fixed income and hedge strategies	\$ 2,955,301	\$ 3,165,391	\$ 3,138,933	\$ 3,063,274
Canadian equity	691,852	586,766	808,370	647,163
Global equity	1,003,090	785,319	1,349,159	916,236
Alternative investments	773,684	709,994	435,390	421,167
	<u>\$ 5,423,927</u>	<u>\$ 5,247,470</u>	<u>\$ 5,731,852</u>	<u>\$ 5,047,840</u>

### 4. Investment income:

	2022	2021
Interest	\$ 90,978	\$ 70,427
Capital gains distributions	5,627	86,444
Dividends	24,343	20,764
Other foreign income distributions	136,417	23,400
Realized gains	73,471	82,729
	<u>\$ 330,836</u>	<u>\$ 283,764</u>

### 5. Related party transactions:

Credit Unions in British Columbia are members of the Foundation and are considered related parties. The Foundation received contributions of \$166,766 (2021 - \$164,842) from the credit unions.

During the year ended December 31, 2022, \$12,220 was paid to Central 1 Credit Union for marketing and technology-related services (2021 - \$ 19,500). \$Nil (2021 - \$17,325) of this amount remains payable and included in accounts payable and accrued liabilities as at December 31, 2022.

These transactions are in the normal course of the Foundation's operations and are recorded at the exchange amount.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2022

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## 6. Financial risk:

The Foundation invests its various funds according to an Investment Policy Statement approved by the Board of Directors. This Statement outlines the objectives, policies and processes relating to investment activities and applies to all investments of the Foundation. Investment Policy guidelines include the minimum and maximum amount of Canadian equities, global equities, fixed income, and alternative investments including real estate, infrastructure, loan portfolio, multi strategy funds, short term investments and cash. This diversification across various asset classes is designed to decrease the volatility of portfolio returns. The Board of Directors regularly review the Foundation's investments to ensure that all activities adhere to the Investment Policy Statement.

The Board of Directors has overall responsibility for the establishment and oversight of the Foundation's risk management framework, including risks related to financial management of assets.

### (a) Credit risk:

Credit risk is the risk of loss resulting in the failure of a borrower or counterparty to honour its financial or contractual obligation to the Foundation. Credit risk arises primarily from the Foundation's investments and cash deposits. The Foundation manages this risk by investing in high credit quality pooled funds and other investments as well as holding its cash deposits with credit unions in British Columbia, which are fully insured by the Credit Union Deposit Insurance Corporation.

### (b) Liquidity risk:

Liquidity risk is the risk that the Foundation will not be able to meet its financial obligations as they fall due. The majority of the Foundation's assets are investments traded in active markets that can be readily liquidated and therefore the Foundation's liquidity risk is considered minimal. In addition, the Foundation aims to retain a sufficient cash position to manage liquidity.

### (c) Market risk:

Market risk is the risk that changes in market prices, as a result of changes in foreign exchange rates, interest rates, equity prices and valuation of appraisal-based assets, will affect the Foundation's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Notes to Financial Statements (continued)

Year ended December 31, 2022

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## 6. Financial risk management (continued):

### (c) Market risk (continued):

#### (i) Currency risk:

Investments in foreign securities are exposed to currency risk due to fluctuations in foreign exchange rates. The Foundation is exposed to currency risk on global equity pooled funds, as the prices denominated in foreign currencies are converted to Canadian dollars in determining fair value. The objective of the Foundation's investment policy is to control currency risk by maintaining a geographically diversified portfolio.

From time to time, the Foundation's external investment fund manager may hold balances in cash and cash equivalents denominated in non-Canadian currencies. The currency risk related to these balances is not significant.

#### (ii) Interest rate risk:

Interest rate risk relates to the risk that changes in interest rates will affect the fair value or future cash flows of financial instruments held by the Foundation. As part of its investment portfolio, the Foundation is invested in a number of fixed income instruments, individual pooled bond funds and private loan portfolio subject to interest rate risks. These holdings total \$2,131,657 as at December 2022 (2021 - \$2,175,825).

Duration is the most common measure of the sensitivity of the price of a fixed income instrument to a change in interest rates. The Foundation's portfolio managers vary the duration of the fixed income holdings in their portfolios in order to accommodate possible changes in interest rate.

#### (iii) Equity price risk:

Equity price risk is the risk that the fair value of equity financial instruments will fluctuate due to changes in market prices. The Foundation is exposed to equity price risk on its investments in equity pooled funds. The objective of the Foundation's investment policy is to manage Equity price risk by maintaining a portfolio which is diversified across geographic and industry sectors.

There has been no significant change to the above risk exposures from 2021.

## 7. Disclosure of remuneration under the Societies Act (British Columbia):

The Society does not have any employees. For the year ended December 31, 2022, no contractor for services (2021 – nil) received total annual remuneration of \$75,000 or greater.

In accordance with the bylaws of the Society, no remuneration was paid to any Directors of the Society during the year.

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Schedule of Memorial and Trust Funds

Schedule 1

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
A Rod Glen International Trust Fund	\$ 522,061	\$ 522,061
Aldergrove Financial Trust	60,100	60,100
Ben Voth Memorial	10,000	10,000
Bob & Dorothy Bonshor Memorial Fund	9,200	9,000
Bruce Albion McDiarmid Memorial	1,600	1,600
Chemainus and District CU Pioneers Trust	2,500	2,500
Coast Capital Savings Credit Union Pioneers Memorial	3,190	3,190
Comox Valley Credit Union Pioneers Memorial	21,000	21,000
Credit Union Pioneers Memorial	3,565,968	3,906,702
Don Bentley Memorials	18,288	18,288
Donald & Bernice McDonough Memorial Fund	50,000	50,000
Envision Credit Union Pioneers Memorial	31,654	31,654
Farley B Dickinson Memorial	3,422	3,422
Flo & Bert Gladu Memorial	9,420	9,420
Gulf & Fraser Trust	104,407	104,407
Garry Ermacora Memorial	10,000	10,000
George Viereck Memorial	18,878	18,878
Gordon Beggs Trust	5,000	5,000
Grant Thornton Perpetual Trust	126,109	126,109
Greater Vancouver Community C.U. Pioneers Memorial	93,452	91,452
Interior Savings C.U. Pioneers Trust.	77,443	77,443
Jerry & Belle Lundie Memorial & Bequest	58,664	58,664
John A H Duffie Scholarship Trust	3,200	3,200
John H. Lucas Memorial	6,413	6,413
Joseph C Selby Memorial	20,390	20,390
Kla How Ya Society A. Rod Glen Memorial	13,876	13,876
Lewis van der Gracht Trust Fund	10,400	10,400
Lucille Sutherland Bursary Trust	20,430	20,430
May Campbell Bursary Trust	15,000	15,000
Michael Bach Memorial	11,730	11,730
Michael J Tarr Memorial	31,859	31,859
Mount Lehman Credit Union Pioneers Memorial	4,610	4,610
Operating Engineers CU Pioneers Memorial	24,728	24,728
Paul Humphries Memorial	13,965	13,965
R.J. (Bob) McMaster Memorials & Bequest	34,459	34,459
Richard W. Slater Honorary Trust	10,250	10,250
Rose Moore Memorial	20,479	20,479
Sharons Credit Union Trust Fund	11,500	11,500
Shirley C. Schmid Bursary Trust Fund	8,225	8,225
Shirley Lewis Smith Memorial	15,700	15,700
Sid Butterfield Memorial & Bequest	21,370	21,370
Sunshine Coast Credit Union Trust	10,450	10,450
Terry Smith Memorial	131,909	131,909
Thomas Cooper Memorial	10,000	10,000
Tom Dearlove Memorial	10,000	10,000
Valley First Credit Union Heritage Trust	60,500	60,500
VanCity Savings Credit Union Perpetual Trust	50,000	50,000
Vancouver Firefighters' C.U. Pioneers Memorial	6,573	6,573
VanTel/Safeway Credit Union Pioneers Memorial	7,000	7,000
VP Credit Union Trust	11,100	11,100
Wallace Wright Bursary Trust	14,325	14,325
Wes Darling Memorial	6,902	6,902
Westminster Savings Credit Union Trust	79,912	79,912
Williams Lake & District Credit Union Trust	10,000	10,000
	<b>\$ 5,509,611</b>	<b>\$ 5,848,145</b>

# CREDIT UNION FOUNDATION OF BRITISH COLUMBIA

Schedule of Contributions Received

Schedule 2

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Bob & Dorothy Bonshor Memorial Fund	\$ 200	\$ 200
Credit Union Pioneers Memorial	166,776	164,842
Gulf & Fraser Trust	-	30,000
Greater Vancouver Community C.U. Pioneers Memorial	2,000	2,100
Rose Moore Memorial	-	1,000
	<u>\$ 168,976</u>	<u>\$ 198,142</u>